

## **Gazette Opinion: Baucus puts CHIPs on Senate table**

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The Children's Health Insurance Program created a decade ago with bipartisan congressional support has given millions of American children access to regular, quality health care. Nationwide, it has reduced the number of uninsured children even as the numbers of uninsured adults continue to rise. In Montana, numbers of uninsured children and adults have risen recently as fewer families find private insurance affordable.

Congress and President Bush must reauthorize CHIP this summer; otherwise the program will expire in September. Montana's Max Baucus is playing a key role in CHIP reauthorization as chairman of the Senate Finance Committee. Last Thursday, the Finance Committee voted 17-4 for new CHIP legislation introduced by Baucus and ranking minority member Charles Grassley of Iowa. That bipartisan bill represents a compromise from Congress' budget blueprint that included a \$50 billion increase over five years for CHIP; the Finance Committee bill cut that to \$35 billion.

What's being cut out is the ability of states to chose to cover adults as some states have done through waivers obtained from the Bush administration. The Baucus bill would add incentives for state CHIP plans to cover women during pregnancy - a critical time for the health of the woman and her baby. Montana CHIP only covers kids and just this month raised the family income limit from 150 percent to 175 percent of poverty. But some states have, with Bush administration approval, expanded coverage above the original CHIP target of 200 percent of poverty to 300 percent. States share the cost of CHIP, much as they share Medicaid costs with the federal government. Now the Bush administration is railing against those expansions it previously endorsed.

The administration also is objecting to the Finance Committee's plan to pay for the increased CHIP costs with a raise in the federal tobacco taxes, including a 61-cent per pack increase on cigarettes. While the president and his staff are riding to the defense of the tobacco industry, thoughtful members of Congress should consider why the Finance Committee is making this proposal.

- CHIP has been funded in part through a tobacco tax increase over the past 10 years.
- Congress has wisely promised a "pay as you go" budget this year, which means it can't increase CHIP spending unless it covers costs.
- Tobacco use contributes to expensive children's health problems such as respiratory illnesses and low birthweight.

- A tobacco tax increase has the double benefit of curbing use among youth and directing tax revenues to treating problems caused by tobacco use. Unless a better tax alternative is found, Baucus should stick with the tobacco tax.

The Finance Committee proposal would help Montana cover more kids by designating federal money for outreach with a priority on enrolling rural children and Native American children. The bill also proposes incentives for states that increase enrollment. The incentive payments would pay for better benefits, such as enhancing the limited dental benefit the Montana plan offers.

CHIP is especially important in Montana where the uninsured rate is high. Montana is a small business state where many people work multiple seasonal or part-time jobs. Those factors make private insurance harder to find and more expensive. CHIP has been a godsend to thousands of Montana families.

To abandon CHIP or chop it to the miserly level proposed by the Bush administration would be a giant step backward for U.S. children and the nation's future. Congress and the White House must address the plight of uninsured Americans. Baucus' committee bill is good step toward that goal.